

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

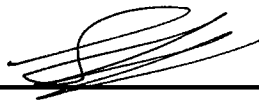
IN RE NETWORK ENGINES, INC.
SECURITIES LITIGATION

Civil Action No. 03-12529-JLT

**DEFENDANT'S LOCAL RULE 7.3(A) AND FED. R. CIV. P. 7.1 DISCLOSURE
STATEMENT**

Defendant Network Engines, Inc., has no parent corporation. Common stock in Network Engines, Inc., is publicly traded under the symbol NENG. No publicly held company owns 10% or more of the common stock of Network Engines, Inc.

For the Defendants:



Dated: April 1, 2005

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CERTIFICATE OF SERVICE
On April 1, 2005, I caused a copy of this
Disclosure Statement to be served by first class
mail upon counsel for plaintiffs.

/s/ John Litwinski
John Litwinski

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